GOVERNMENT OF INDIA
SMALL SCALE INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:3933
ANSWERED ON:09.04.2003
CREDIT GUARANTEE FUND SCHEME
NANDIPAKU VENKATASWAMY

Will the Minister of SMALL SCALE INDUSTRIES be pleased to state:

(a) whether the Government have launched a `Credit Guarantee Fund Scheme` for the Small Scale Industries;

(b) if so, the details thereof;

(c) the number of SSI Units, State-wise provided collateral guarantee under the scheme as on December 31, 2002;

(d) whether the Government propose to augment the corpus of the fund; and

(e) if so, the details thereof?

Answer

MINISTER OF STATE FOR SMALL SCALE INDUSTRIES AND DEVELOPMENT OF NORTH-EASTERN REGION (SHRI TAPAN SIKDAR)

(a) to (c): The Government have launched the Credit GuaranteeFund Scheme for Small Industries which is being implemented through the Credit Guarantee Fund trust for Small Industries (CGTSI) with a corpus fund shared by the Government of India and the Small Industries Development Bank of India in the ratio of4:1. the objective is to extend guarantee cover for mitigating credit risk upto 75% of the collateral free credits subject to maximum credit of Rs. 25 lakh per unit. As on 31st December, 2002, 6424 SSI units were covered for aggregate lonas of Rs. 7151 lakhs under the Scheme. The details of State/UT-wise guarantees approvedis given in Annexure.

(d) & (e): The corpus fund of CGTSI was enhanced to Rs. 427.01875crores by the end of the financial year 2002-03, which would be suitably further augmented. The outlay for the scheme for the financial year 2003-04 is Rs. 192 crores.